IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

APPEAL NO.328 OF 2006

In

COMPANY PETITION NO.731 OF 2005

CONNECTED WITH

COMPANY APPLICATION NO.563 OF 2005

Ghanshyam R. Mehta & Anr. : Appellants
(Orig.Objectors)

V/s.

Reliance Industries Limited : Respondent
(Orig. Petitioner)

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Mr.B.B.Gandhi for the appellants.

Mr.A.S.Doctor with Mr.Tapan Deshpande i/b. M/s.Amanjaldas & S.A.Shroff & Co., for respondent no.1.

Ms Archana Panchal i/b. M/s.M.Dhruva & Co., for respondent no.3.

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CORAM : R.M.LODHA & S.A.BOBDE,JJ.

DATE : SEPTEMBER 26, 2006.

P.C.

1. At the outset, the counsel for the appellants invited our attention to the application made under Order 1 Rule 10 and Order 6 Rule 17 of the Code of Civil Procedure for

impleadment of the respondent nos.2 to 14 as party-respondents in the appeal.

2. The application is wholly misconceived. Admittedly, in the petition filed under sections 391 and 394 of the Companies Act, the proposed respondents were not parties. In the objections filed by the appellants, no such grievance was raised that the proposed respondent nos.2 to 14 need to be heard. As a matter of fact, in the petition under sections 391 and 394 filed by the present respondents, the proposed respondents were neither necessary nor proper parties.

3. We, accordingly, reject the application for impleadment of the proposed respondents nos.2 to 14.

4. Adverting to the challenge to the order dated 9.12.2005 in the present appeal, it may be noticed by us immediately that it is not disputed that the appellants are neither shareholders nor creditors of Reliance Industries Limited. The objection to the Scheme of Arrangement by the appellants is founded on the ground that the appellants have already filed a suit in the sum of Rs.50 crores against Reliance Telecom Limited and that the said suit is pending before the Court of Civil Judge, Senior Division, Rajkot, and if the said suit is

ultimately decreed, the respondent-company may not undertake the liability. The counsel for the appellants could not demonstrate that Reliance Telecom Limited is part of the Scheme of Arrangement. Rather, the counsel for the respondent specifically submitted that Reliance Telecom Limited is not part of the Scheme of Arrangement. There is no justifiable reason to disbelieve the statement of the counsel for the respondent. If Reliance Telecom Limited against which the appellants claim to have filed the suit for the sum of Rs.50 crores is not a party to the Scheme of Arrangement, the appellants cannot have any grievance to the said scheme.

5. For all these reasons, we are satisfied that the appeal does not deserve to be admitted.

6. Appeal is dismissed in limine.

R.M. LODHA, J.

S.A. BOBDE, J.